

DAVID LOPEZ, ESQ. DL-6779
Attorney for Plaintiffs
171 Edge of Woods Road
P.O. Box 323
Southampton, New York 11969-0323
Tel: 631.287.5520
Fax: 631.283.4735
e-Mail: DavidLopezEsq@aol.com

MIRIAM TAUBER, ESQ. MT-1979
Attorney for Plaintiffs
885 Park Avenue # 2A
New York, New York 10075
Tel: 323.790.4881
e-Mail: MiriamTauberLaw@gmail.com

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

**DEBORAH DONOGHUE and
AARON RUBENSTEIN,**

Plaintiffs,

- against -

PFSWEB INC.,

Nominal Defendant,

**G2 INVESTMENT PARTNERS
MANAGEMENT LLC,
G2 INVESTMENT PARTNERS GP LLC
And JOSH GOLDBERG,**

Defendants.

**COMPLAINT FOR RECOVERY
OF SHORT-SWING PROFITS
UNDER 15 U.S.C. SEC. 78p(b)**

Jury Trial Demanded

DEBORAH DONOGHUE and AARON RUBENSTEIN, by David
Lopez, Esq., and Miriam Tauber, their attorneys, complaining of the defendants,

respectfully allege the following upon information and belief, except as to paragraph 2, which plaintiffs allege on personal knowledge:

JURISDICTION:

1. This action arises under the provisions of Section 16(b) of the Securities Exchange Act of 1934, as amended (the "Act"), 15 U.S.C. § 78p(b), and jurisdiction is conferred upon this court by Section 27 of the Act, 15 U.S.C. § 78aa.

THE PARTIES:

2. Plaintiffs are security owners of PFSWEB INC., a Delaware Corporation with principal offices at 505 Millennium Drive, Allen, Texas 75013.

3. At all times relevant the common stock of PFSWEB INC. was registered under Sections 12(g) of the Act and was and is traded on the NASDAQ Capital Market through market makers and facilities located within this district.

4. This action is brought in the right and for the benefit of PFSWEB INC. which is named as a party defendant solely in order to have all necessary parties before the court.

5. At all times relevant G2 INVESTMENT PARTNERS GP LLC, G2 INVESTMENT PARTNERS MANAGEMENT LLC and JOSH GOLDBERG were and are beneficial owners of more-than-10% of the common stock of PFSWEB INC with varying pecuniary interests in those shares, the extent of each such pecuniary interest to be established through discovery.

6. G2 INVESTMENT PARTNERS GP LLC, G2 INVESTMENT PARTNERS MANAGEMENT LLC and JOSH GOLDBERG all have offices or are found c/o G2 INVESTMENT PARTNERS MANAGEMENT LLC, One Rockefeller Plaza, 23rd Floor, New York, New York 10020.

STATUTORY REQUISITES:

7 The violations of Section 16(b) of the Act to be described herein involve non-exempt securities in non-exempt transactions engaged in by non-exempt persons within the meaning of the Act.

8 Demand for prosecution was made on PFSWEB INC. on September 18, 2015. More than 60 days have expired with PFSWEB INC. not having recovered the profits at issue. Further demand would be a futile gesture and only further delay prosecution of this action.

9. Some or all of the transactions to be described herein were effected in whole or in part within the Southern District of New York through market makers located within the district or through the facilities of the NASDAQ Capital Markets, a National Securities Exchange located within the district.

10. This action is brought within two years of the occurrence of the violations to be described herein or within two years of the time when reports required by 15 U.S.C. 78p(a) setting forth the substance of the transactions here complained of were first filed with the Securities & Exchange Commission.

FIRST CLAIM FOR RELIEF:

11. G2 INVESTMENT PARTNERS GP LLC, G2 INVESTMENT PARTNERS MANAGEMENT LLC and JOSH GOLDBERG sold 811,285 shares, more or less, of the common stock of PFSWEB INC beneficially owned by them and each of them during the period from August 18, 2015, through September 22, 2015, on the dates and at the prices more fully described at Exhibit A hereto.

12. G2 INVESTMENT PARTNERS GP LLC, G2 INVESTMENT PARTNERS MANAGEMENT LLC and JOSH GOLDBERG purchased 784,065 shares, more or less, of the common stock of PFSWEB INC beneficially owned by them and each of them during the period from August 18, 2015, through September 22, 2015, on the dates and at the prices more fully described at Exhibit A hereto.

13. The foregoing purchases and sales may be matched against one another using the "lowest-in, highest out" method to yield profits recoverable from G2 INVESTMENT PARTNERS GP LLC, G2 INVESTMENT PARTNERS MANAGEMENT LLC and JOSH GOLDBERG as each of their pecuniary interests may be determined through discovery. The amounts of such profits are unknown to Plaintiff but are estimated to approximate \$299,410.

14. Such profits are recoverable on behalf of PFSWEB INC. by Plaintiffs as shareholders of PFSWEB INC., the latter having failed or refused to act in its own right and for its own benefit.

SECOND CLAIM FOR RELIEF:

15. This Second Claim for Relief is a precaution against possible errors of detail attributable to inaccuracies in the public record or the discovery of additional trades during the course of this action.

16. G2 INVESTMENT PARTNERS GP LLC, G2 INVESTMENT PARTNERS MANAGEMENT LLC and JOSH GOLDBERG, acting during periods not barred by the statute of limitations measured from the date of the filing of this complaint, purchased and sold or sold and purchased equity securities or equity security equivalents of PFSWEB INC. within periods of less than six months of each other while a more-than-10% beneficial owners of PFSWEB INC. including but not limited to the transactions pleaded in the FIRST CLAIM FOR RELIEF.

17. By reason of such purchases and sales or sales and purchases of its equity securities or equity security equivalents within periods of less than six months of one another while insiders of PFSWEB INC., G2 INVESTMENT PARTNERS GP LLC, G2 INVESTMENT PARTNERS MANAGEMENT LLC and JOSH GOLDBERG each realized profits, the exact amounts thereof being unknown to Plaintiff, which profits inure to the benefit, and are recoverable by plaintiff on behalf, of PFSWEB INC.

WHEREFORE, Plaintiff demands judgment:

a) Requiring G2 INVESTMENT PARTNERS GP LLC, G2 INVESTMENT PARTNERS MANAGEMENT LLC and JOSH GOLDBERG to

account for and to pay over to PFSWEB INC. the short-swing profits realized and retained by them and each of them in violation of Section 16(b) of the Act, together with appropriate interest and the costs of this suit;

b) Awarding to Plaintiffs their costs and disbursements including reasonable attorneys', accountants and expert witness fees; and

c) Granting to Plaintiffs such other and further relief as the court may deem just and proper.

Dated: Southampton, New York
December 8, 2015

Yours, etc.

s/ David Lopez

David Lopez, Esq.